Texas Department of Insurance
Division of Workers' Compensation
Medical Fee Dispute Resolution, MS-48
7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645
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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name
Stephen E. Earle, MD

Respondent Name
Liberty Mutual Insurance Co.

MFDR Tracking Number
M4-14-3760-01

Carrier's Austin Representative
Box Number 01

MFDR Date Received
August 28, 2014

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "…As per Texas Department of Insurance guidelines once the code has preauthorized it cannot be denied for medical necessity."

Amount in Dispute: $17,925.00

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "…The utilization review department, per the attaché letter to Dr. Earle, has allowed payment only for CPT 63042/63044 and has denied CPT codes 22612, 22614, 20938, 20680, 63662, 22852, 20926 and 20930. …Liberty Mutual believes that Dr. Stephen E. Earle has been appropriately reimbursed for services rendered to (claimant) for the 04/30/2014 date(s) of service."

Response Submitted by: Liberty Mutual Insurance Co

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
April 30, 2014	Surgical Services	$17,925.00	$3,776.82

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.600 sets out the guidelines for prospective and concurrent review of health care.
3. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.
4. The services in dispute were reduced/denied by the respondent with the following reason codes:
   - 197 – 170 – Pre-authorization was required but not request for this service per DWC Rule 134.600
   - 39 – 388 – Pre-authorization was requested but denied for this service per DWC rule 134.600
   - 193 – Original payment decision is being maintained

Issues

1. Were the disputed services preauthorized?
2. Is the requestor entitled to reimbursement?

Findings

1. The carrier denied the dispute services as 197 – "Pre-authorization was required but not request for this service per DWC Rule 134.600" and 39 – "Pre-authorization was requested but denied for this service per DWC rule 134.600." Per 28 Texas Administrative Code §134.600 (c) "The insurance carrier is liable for all reasonable and necessary medical costs relating to the health care: (1) listed in subsection (p) or (q) of this section only when the following situations occur: (A) an emergency, as defined in Chapter 133 of this title (relating to General Medical Provisions); (B) preauthorization of any health care listed in subsection (p) of this section that was approved prior to providing the health care; (p) Non-emergency health care requiring preauthorization includes: (1) inpatient hospital admissions, including the principal scheduled procedure(s) and the length of stay."

   On April 3, 2014, Liberty Mutual Utilization Review gave preauthorization approval for "L3-S1 revision of the lumbar spine surgery, removal of PLSF, removal of the spinal cord stimulator, electrodes, bony defects and repair as indicated with a 2 day length of stay to include CPT codes 63042, 63044."

   The requestor contends that "As per Texas Department of Insurance guidelines once the code has preauthorized it cannot be denied for medical necessity."

   A review of the submitted medical bills and preauthorization report finds the following:

Submitted Code	CPT Description	Preauthorization Obtained
20937	Autograft for spine surgery only (includes harvesting the graft); morselized (through separate skin or fascial incision) (List separately in addition to code for primary procedure)	Not requested; therefore, preauthorization not obtained.
22612	Arthrodesis, posterior or posterolateral technique, single level; lumbar (with lateral transverse technique, when performed)	Not preauthorized
22614	Arthrodesis, posterior or posterolateral technique, single level; each additional vertebral segment (List separately in addition to code for primary procedure)	Not preauthorized
63710-59	Dural graft, spinal 59 modifier – Distinct Procedural Service	Not requested; however, discovered during operation. This procedure meets definition of emergency; therefore, preauthorization not required per Rule 134.600(c)(1)(A).
20930	Allograft, morselized, or placement of osteopromotive material, for spine surgery only (List separately in addition to code for primary procedure)	Not preauthorized
22614-99	Arthrodesis, posterior or posterolateral technique, single level; each additional vertebral segment (List separately in addition to code for primary procedure) 99 modifier - Multiple Modifiers	Not preauthorized
63042-50	Laminotomy (hemilaminectomy), with decompression of nerve root(s), including partial facetectomy, foraminotomy and/or excision of herniated intervertebral disc, reexploration, single interspace; lumbar 50 modifier –Bilateral Procedure	Preauthorization obtained (Carrier paid and not in dispute)
63044-50	Laminotomy (hemilaminectomy), with decompression of nerve root(s), including partial facetectomy, foraminotomy and/or excision of herniated intervertebral disc, reexploration, single interspace; each additional lumbar interspace (List separately in addition to code for primary procedure) 50 modifier – Bilateral Procedure	Preauthorization obtained (Carrier paid and not in dispute)

63044-22	Laminotomy (hemilaminectomy), with decompression of nerve root(s), including partial facetectomy, foraminotomy and/or excision of herniated intervertebral disc, reexploration, single interspace; each additional lumbar interspace (List separately in addition to code for primary procedure) 22 modifier – Increased Procedural Service	Preauthorization obtained (Carrier paid and not in dispute)
63011-22-59	Laminectomy with exploration and/or decompression of spinal cord and/or cauda equina, without facetectomy, foraminotomy or discectomy (eg, spinal stenosis), 1 or 2 vertebral segments; sacral 22 modifier – Increased Procedural Service 59- Distinct Procedural Service	Preauthorized, "removal of bony defects"
22852-58	Removal of posterior segmental instrumentation 58 modifier - Staged or Related Procedure or Service by the Same Physician or Other Qualified Health Care Professional During the Postoperative Period	Preauthorization obtained
22830-59	Exploration of spinal fusion 59 modifier – Distinct Procedural Service	Not requested; therefore preauthorization not obtained.
22614-59	Arthrodesis, posterior or posterolateral technique, single level; each additional vertebral segment (List separately in addition to code for primary procedure) 59 modifier – Distinct Procedural Service	Not preauthorized
20926-59	Tissue grafts, other (eg, paratenon, fat, dermis) 59 modifier – Distinct Procedural Service	Not preauthorized

Based on the above, the Division finds the requestor obtained preauthorization and is due reimbursement for disputed codes: 63011-22-59, 22852-58, and 63710-59.

2. Per 28 Texas Administrative Code §134.203(c)(1)(2), "To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.
(1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery… when performed in a facility setting, the established conversion factor to be applied is $69.98."

   The maximum allowable reimbursement will be calculated as follows;

Code	Maximum Allowable Reimbursement (DWC Conversion Factor/Medicare Conversion Factor) X Participating Amount = Maximum Allowable Reimbursement (MAR)	Insurance Carrier Paid	Total Amount Due
63011-22-59	(69.98 / 35.8228) x 1061.22 = $2,073.10 x 50% (multiple procedure discount) = $1,036.55	$0.00	$1,036.55
22852-58	(69.98 / 35.8228) x 669.01 = $1,306.91 x 50% (multiple procedure discount) = $653.46	$0.00	$653.46
63710-59	(69.98 / 35.8228) x 1068.24 = $2,086.81	$0.00	$2,086.81
		Total	$3,776.82

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is $3,776.82

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of $3,776.82 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

		March , 2015
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012**.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.